

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Wednesday, April 19, 2017, at Develop Abilene conference room, 174 Cypress St., 3rd floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Kent Sharp, CEO

AGENDA

April 19, 2017
1:30 p.m.

Develop Abilene Conference Room
174 Cypress St., 3rd floor

1. Call the meeting to order.
2. Approval of minutes from the March 16, 2017, and March 22, 2017, board meetings.
3. Sales tax report for April 2017 and financial report for February 2017.
4. Presentation of semi-annual reports of activities for six months ended March 31, 2017, by:
 - TTU Small Business Development Center
 - Abilene Chamber of Commerce for Military Affairs Committee
 - City of Abilene Airport Business Development Management Program
 - Abilene Industrial Foundation
5. Discussion and possible approval of the DCOA's semi-annual report of activities for the period October 1, 2016 through March 31, 2017.
6. Executive Session:
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code Sections:
 1. 551.071 (Consultation with Attorney),
 2. 551.072 (Deliberations about Real Property)
 - A. Pactiv lease negotiations
 - B. Five Points Business Park acreage owned by out of state company
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
7. Discussion and possible approval of a resolution authorizing a lease extension with Pactiv for the DCOA-owned property at 6450 Five Points Parkway, Abilene, Texas.
8. Discussion of next monthly board meeting.

9. Adjournment.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the _____ day of _____, 2017, at _____.

City Secretary

NOTICE

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact the Development Corporation of Abilene, Inc., (325) 676-6390, at least forty-eight (48) hours in advance of this meeting. Telecommunication device for the deaf is (325) 676-6360.

DEVELOPMENT CORPORATION OF ABILENE, INC.
JOINT MEETING WITH ABILENE CITY COUNCIL
MINUTES
March 16, 2017

DCOA MEMBERS PRESENT:

Dave Copeland John Beckham Greg Blair Jack Rentz

CITY COUNCIL MEMBERS PRESENT:

Norm Archibald Shane Price Bruce Kreidler Anthony Williams
Steve Savage

STAFF PRESENT:

Kent Sharp Cynthia Nesmith Akane Thaxton Stanley Smith
Robert Hanna James Childers Alaisha Guerra Danette Dunlap

GUESTS PRESENT:

Alex Cooke-TIP Strategies; Judy Wilhelm-SBDC; Doug Peters-Abilene Chamber of Commerce; Justin Jaworski, Shea Hopkins and Audrey Schroyer-Abilene Industrial Foundation; Mary Ross-Workforce Solutions of West Central Texas; Sandra Harper-President of McMurry University; Joey Light-Deputy Superintendent of Wylie School District; Scott Senter-Senter Realtors; Rick Denbow- STC; Mark Zachary-McMahon Law Firm; Larry Gill-Dodge Jones Foundation; Ray Ferguson-Condley & Co.; Yvonne Batts-Batts Communication; Tim Chipp -Abilene Reporter News; Richard Kennedy-Mayoral candidate; Donna Albus-City Council Candidate; Cory Clements-City Council Candidate; Weldon Hurt-City Council Candidate

1. CALL THE MEETING TO ORDER: Mayor Norm Archibald called the meeting to order for the City Council. Dave Copeland, President of the Development Corporation of Abilene (DCOA), called the meeting to order at 1:35 p.m. for the DCOA at 555 Walnut St., 2nd Floor, council chambers, Abilene, TX. Mr. Copeland then turned the meeting over to Kent Sharp, CEO of the DCOA.

2. PRESENTATION OF THE FIRST ANNUAL ACCOUNTABILITY SCORECARD REGARDING THE FIVE YEAR STRATEGIC PLAN: Kent Sharp, CEO of the DCOA, gave a brief summary of the Five Year Strategic Plan (the Plan). In February of 2015, the Strategic Planning Committee (the Committee) sent an RFP out to develop a Strategic Plan (the Plan) for Abilene's economic growth, and TIP Strategies of Austin, Texas was chosen. The committee wanted to make sure once the consultants handed over their analysis, the document would not end up on a bookshelf. They requested an accountability scorecard given each year to see how all the partners are doing on their implementation of the Plan. The Plan was completed and handed over to the DCOA in

March of 2016, and by the end of the summer all the partners were well underway with their action items. In November of 2016 and in January of 2017, Mr. Sharp asked the partners to share with him what each group had done on the specific strategies and action items assigned to them. After compiling the information, he presented the report to the DCOA Board in November and the City council in February. Mr. Sharp then turned the meeting over to Alex Cooke with TIP Strategies.

Mr. Cooke stated it was very rare for TIP Strategies to have the opportunity to return and grade a community on progress made toward implementation of a strategic plan. In the past Abilene has focused on business recruitment, attraction, retention and expansion. The challenge for the future is retaining the best talent in Abilene instead of losing it to the larger metro areas. Over all, Abilene has done a fantastic job implementing the Plan. Almost every one of the 10 strategies has some level of progress made. Only five of the actions initially scheduled to start in 2016 have not been started; however, 10 actions not scheduled for implementation until later have been started. Going forward there needs to be continual re-evaluation, shifting of priorities and timeframes, new strategies and actions added, and new resources allocated.

Mr. Cooke opened a session of questions and comments from members of the audience for ideas on how to keep the momentum going in years 2 through 5 and longer. His evaluation was not based solely on the information Mr. Sharp provided. It also included conversations with several partners who are involved in the implementation and their accomplishments. Mr. Cooke made the suggestion for a steering committee who would oversee the implementation, have regular meetings of all partners to discuss the progress and evaluate priorities, determine if additional resources are needed and make sure the community is aware of successes.

Mayor Archibald asked Doug Peters, President of the Abilene Chamber of Commerce to give an update on the progress of Team Workforce. Mr. Peters gave a short summary on the constant need for skilled workforce. Mr. Peters then introduced Shea Hopkins, Director of Talent Development for the Abilene Industrial Foundation. Ms. Hopkins informed the group of the huge shortfall of trained workers now facing the community and the recently-formed partnership with Communities in Schools (CIS) to address the shortfall.

Mr. Cooke asked if there were any comments or questions, then turned the meeting over to Mr. Copeland. Mr. Copeland thanked all of the people who have joined forces to implement the Plan and to the Mayor and City Council for their great support. Mr. Copeland also thanked Ray Ferguson and the Strategic Planning Committee for their efforts in making the Plan a reality.

- 3. ADJOURNMENT:** There being no further business the meeting was adjourned at 3:10 p.m. by both Mayor Norm Archibald and DCOA President Dave Copeland.

Dave Copeland, President

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DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
March 22, 2017

MEMBERS PRESENT: Dave Copeland John Beckham Jack Rich
 Jack Rentz

MEMBER ABSENT: Greg Blair

STAFF PRESENT: Kent Sharp Kim Tarrant Mike Rains

GUESTS PRESENT: Mark Zachary - McMahon Law Firm
 Justin Jaworski – Abilene Industrial Foundation
 Shea Hopkins - Abilene Industrial Foundation
 Diane Terrell - Davis, Kinard & Co., P.C.
 Bruce Kreitler - City Council

1. CALL THE MEETING TO ORDER: President Dave Copeland called the meeting to order at 1:30 p.m. at 174 Cypress St., 3rd floor conference room, Abilene Texas. President Copeland then welcomed Jack Rentz as the newly appointed DCOA board member.

2. APPROVAL OF MINUTES FROM THE FEBRUARY 20, 2017 BOARD MEETING: John Beckham moved to approve the minutes from the February 20, 2017 board meeting. Jack Rich seconded and the motion carried.

3. SALES TAX REPORT FOR MARCH 2017 AND FINANCIAL REPORT FOR JANUARY 2017: Mike Rains, Director of Finance, presented the sales tax report for March 2017. The sales tax rebate is \$3,028,602.21, which represents January sales. Economic Development received \$757,150.55, which is 3.88% above last year and 3.88% above the projected FY 17 budget amount. For the period October through March, sales tax is .03% above last year and .03% above the projected FY 17 budget amount. The DCOA's total current assets as of January 31, 2017 were \$24,344,685. The January 2017 revenues totaled \$1,050,604 and total expenditures \$2,107,813 with \$1,907,892 being spent on six different projects.

4. PRESENTATION OF THE FY16 AUDIT PERFORMED BY DAVIS KINARD & CO., P.C.: Diane Terrell with Davis Kinard & Co., P.C. presented the DCOA's FY 16 audit report, which was conducted as part of the City of Abilene's annual audit. At the end of fiscal year 2016 on September 30, 2016, the DCOA had a total net position of \$81,892,424. This was a \$3.7 million or 4.7% increase from the beginning of the fiscal year.

5. EXECUTIVE SESSION – SESSION 1: I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real property transactions, personnel matters, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

President Dave Copeland announced the date is March 22, 2017 and the time is 1:42 p.m. Later, President Copeland announced the date is still March 22, 2017 and the time is 2:45 p.m. No vote or action was taken in Executive Session.

6. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE ASSIGNMENT OF AN AGREEMENT FOR FINANCIAL ASSISTANCE AND RELATED DOCUMENTS WITH COCA- COLA REFRESHMENTS USA, INC. TO A WHOLLY-OWNED SUBSIDIARY COMPANY: Kent Sharp, CEO of the DCOA, gave a summary of the Agreement for Financial Assistance (Agreement) and Promissory Note (Note) approved in July 2015 with Coca-Cola Refreshments USA, Inc. All capital investment receipts have been submitted and the final amount note disbursement will be just over \$3 Million. Coca-Cola Refreshments USA, Inc. (CCR) recently completed a tax re-structure and created a limited liability company named Coca-Cola Southwest Beverages LLC (CCSWB). The re-structure will transfer all bottling and distribution operations in Texas formerly conducted by CCR to the new CCSWB. CCSWB will legally own and operate the Abilene facility. Staff recommends all rights and obligations under the existing Agreement and Note be assigned over to the new limited liability company CCSWB.

Jack Rick moved to approve resolution DCOA-2017.07 authorizing the assignment of the existing Agreement for Financial Assistance and Promissory Note with Coca-Cola Refreshments USA, Inc. to Coca-Cola Southwest Beverages LLC. John Beckham seconded and the motion carried.

7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ADDITIONAL FUNDING TO SUPPORT THE COMMUNITIES IN SCHOOLS NEW WORKFORCE DEVELOPMENT COACH POSITION: Kent Sharp presented a request to approve additional funding for the Workforce Development Coach (Coach), which will be employed by Communities in Schools of the Big Country (CIS). The board originally approved resolution DCOA-2017.04 authorizing \$74,100 to cover salary, benefits and administrative support for the Coach during an 18-month period beginning April 1st. Mr. Terry Johnson, Executive Director of CIS, stated a current counselor employed by CIS is most qualified for the new Coach position; however, her current salary is the same amount as the new Coach position. He requests the DCOA provide an additional \$6,750 to increase the Coach salary and allow a one-time merit-based bonus payment of \$1,500. The performance criteria will include the number of students enrolled in the industrial training program and the number that complete the program.

John Beckham moved to approve resolution DCOA-2017.08 authorizing additional funding of \$6,750 to cover the higher salary of the Workforce Development Coach plus a one-time performance bonus. Jack Rich seconded and the motion passed.

8. DISCUSSION OF NEXT MONTHLY BOARD MEETING: President Dave Copeland informed Jack Rentz, new DCOA board member, the DCOA was trying to go for one meeting a month, on the fourth Wednesday. Mr. Rentz said he would be out on the 26th of April and Mr. Sharp suggested the third Wednesday, which would be April 19th.

All of the board members present would be available. President Copeland announced the next scheduled board meeting would be April 19, 2017 at 1:30 p.m.

9. ADJOURNMENT: There being no further business the meeting was adjourned.

Dave Copeland, President

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MEMORANDUM

April 12, 2017

TO: Robert Hanna, City Manager
FROM: Mike Rains, Director of Finance
SUBJECT: April Sales Tax

The sales tax rebate for April is \$3,040,768.94 which represents February sales. This is 2.42% below last year and 2.42% below the projected FY 17 budget amount. The breakdown of the rebate is \$2,280,576.71 to the General Fund and \$760,192.23 for economic development. Of this rebate, \$174,681.17 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through April, sales tax is .29% below last year and .29% below the projected FY 17 budget amount. I have requested the detail from the state.

Should you have any questions, please contact me.

Cc: Mindy Patterson, Assistant City Manager
James Childers, Assistant City Manager

CITY OF ABILENE SALES TAX COMPARISON

Accounting Period Month	GENERAL FUND Actual 2015-16	ECONOMIC DEVELOPMENT Actual 2015-16	TOTAL 2015-16	GENERAL FUND Actual 2016-17	ECONOMIC DEVELOPMENT Actual 2016-17	TOTAL 2016-17
October	\$2,456,044.80	\$818,681.60	\$3,274,726.40	\$2,511,352.80	\$837,117.60	\$3,348,470.40
November	2,940,002.89	980,000.96	3,920,003.85	2,792,056.28	930,685.42	3,722,741.70
December	2,203,231.83	734,410.61	2,937,642.44	2,243,907.19	747,969.06	2,991,876.25
January	2,265,278.52	755,092.84	3,020,371.36	2,379,642.60	793,214.20	3,172,856.80
February	3,419,688.86	1,139,896.28	4,559,585.14	3,277,055.77	1,092,351.92	4,369,407.69
March	2,186,523.32	728,841.10	2,915,364.42	2,271,451.66	757,150.55	3,028,602.21
April	2,337,248.73	779,082.91	3,116,331.64	2,280,576.71	760,192.23	3,040,768.94
YTD	\$17,808,018.95	\$5,936,006.30	\$23,744,025.25	\$17,756,043.01	\$5,918,680.98	\$23,674,723.99
May	\$2,914,521.42	\$971,507.14	\$3,886,028.56			
June	2,263,315.79	754,438.60	3,017,754.39			
July	2,272,925.02	757,641.67	3,030,566.69			
August	2,955,004.91	985,001.64	3,940,006.55			
September	2,268,511.95	756,170.65	3,024,682.60			
FY TOTAL	\$30,482,298.04	\$10,160,766.00	\$40,643,064.04			

NOTE: Report reflects the month sales tax is received from Austin. Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect revenue based upon the month the sales tax is paid by the vendor to the State Comptroller in accordance with GASB 33 requirements.

DEVELOPMENT CORPORATION OF ABILENE, INC.
1/2 CENT SALES TAX REVENUE
Monthly and Year-to-Year Comparisons

Accounting Period Month	Actual 2015-16	Actual 2016-17	% Change
October	\$818,682	\$837,118	2.25%
November	980,001	930,685	-5.03%
December	734,411	747,969	1.85%
January	755,093	793,214	5.05%
February	1,139,896	1,092,352	-4.17%
March	728,841	757,151	3.88%
April	779,083	760,192	-2.42%
YTD	\$5,936,006	\$5,918,681	-0.29%
May	\$971,507		
June	754,439		
July	757,642		
August	985,002		
September	756,171		
FY TOTAL	<u>\$10,160,766</u>		

Note: Report reflects the month sales tax is received from Austin.
Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect revenue based upon the month the sales tax is paid by the vendor to the State Comptroller in accordance with GASB 33 requirements.

Revenue for April '17 represents February '17 sales. Approximately \$43,670.29 of the rebate is from prior periods, audit, and future payments.

Audit Payments: Larger businesses submit sales tax collections to the State Comptroller every month and smaller ones either quarterly or annually. The Comptroller audits the books of these businesses on a four year cycle to determine if sales tax was collected on all taxable sales. Audit collections represent the sales tax revenue from prior sales and submitted or refunded subsequent to the audit.

DEVELOPMENT CORPORATION OF ABILENE, INC.
1/2 CENT SALES TAX REVENUE
Five Year Comparison

Accounting Period Month	Actual 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17
October	\$855,868	\$815,126	\$868,660	\$818,682	\$837,118
November	891,956	896,761	987,887	980,001	930,685
December	773,104	766,502	836,922	734,411	747,969
January	728,710	744,242	798,120	755,093	793,214
February	1,012,685	1,061,353	1,137,082	1,139,896	1,092,352
March	821,529	743,945	759,360	728,841	757,151
April	800,963	726,196	733,667	779,083	760,192
FY TOTAL	\$5,884,816	\$5,754,124	\$6,121,699	\$5,936,006	\$5,918,681
May	\$965,056	\$981,409	\$1,019,627	\$971,507	
June	827,415	773,012	822,955	754,439	
July	826,951	794,307	778,812	757,642	
August	927,272	966,814	998,076	985,002	
September	797,862	845,806	811,136	756,171	
YTD	\$10,229,372	\$10,115,471	\$10,552,304	\$10,160,766	

Note: Report reflects the month sales tax is received from Austin.

Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect revenue based upon the month the sales tax is paid by the vendor to the State Comptroller in accordance with GASB 33 requirements.

DEVELOPMENT CORPORATION OF ABILENE
STATEMENT OF NET POSITION
February 28, 2017 and February 29, 2016

	February 2017	February 2016
Current Assets:		
Cash and cash investments	\$ 20,235,475	\$ 17,526,811
Accounts receivable	1,677,765	35,293
Due from other governments	1,757,691	1,789,074
Total Current Assets	<u>23,670,931</u>	<u>19,351,178</u>
Noncurrent Assets:		
Notes receivable, net	3,519,600	10,958,897
Notes receivable - earning economic incentives	9,680,756	8,311,130
Capital assets	62,437,447	51,765,462
Accumulated depreciation	(14,190,010)	(9,815,739)
Total capital assets, net	<u>48,247,437</u>	<u>41,949,723</u>
Total Noncurrent Assets	<u>61,447,793</u>	<u>61,219,750</u>
Total Assets	<u><u>\$ 85,118,724</u></u>	<u><u>\$ 80,570,928</u></u>
Liabilities		
Current:		
Accounts payable	\$ 45,004	\$ 347,121
Accrued expenses	1,677,765	-
Total Current Liabilities	<u>1,722,769</u>	<u>347,121</u>
Total Liabilities	<u>1,722,769</u>	<u>347,121</u>
Net Position		
Net Investment in capital assets	48,247,437	41,949,723
Restricted for contractual obligations	14,759,332	16,986,504
Unrestricted, designated for purposes of trust	20,389,186	21,287,580
Total Net Position	<u>83,395,955</u>	<u>80,223,807</u>
Total Liabilities and Net Position	<u><u>\$ 85,118,724</u></u>	<u><u>\$ 80,570,928</u></u>

DEVELOPMENT CORPORATION OF ABILENE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For five months ending February 28, 2017 and February 29, 2016

	February 2017	Fiscal YTD 2017	Fiscal YTD 2016
Revenues:			
Sales and use taxes	\$ 1,092,352	\$ 4,401,338	\$ 4,428,082
Interest income	10,179	192,736	32,523
Building rental / land lease	63,938	423,256	475,198
Sale of Land	-	-	496,459
Miscellaneous revenue	7,578	34,664	60,016
Total Revenues	<u>1,174,047</u>	<u>5,051,994</u>	<u>5,492,278</u>
Expenses:			
Economic Development Projects	293,993	2,602,528	2,557,137
Life Sciences property maintenance	13,793	120,682	121,463
DCOA property maintenance	16,926	99,469	218,737
Abilene Industrial Foundation	44,415	158,159	144,801
TTU Small Business Development Center	14,381	44,719	44,925
Chamber Military Affairs	88,967	88,967	63,566
Airport Business Development Manager	13,992	40,943	31,202
Economic Development Operating Division	55,185	392,996	276,226
Total Expenditures	<u>541,652</u>	<u>3,548,463</u>	<u>3,458,057</u>
Changes In Net Position	632,395	1,503,531	2,034,221
Net Position at Beginning of Period	<u>82,763,560</u>	<u>81,892,424</u>	<u>78,189,586</u>
Net Position at End of Period	<u><u>\$ 83,395,955</u></u>	<u><u>\$ 83,395,955</u></u>	<u><u>\$ 80,223,807</u></u>

Summary of Current Period Economic Development Projects:

Hangar 0 Doghouse A/E	\$ 1,905
Hangar 0 Doghouse	290,138
EASI De Fuel Truck	1,950
Total	<u><u>\$ 293,993</u></u>

Development Corporation of Abilene
Economic Program Status
As of February 28, 2017

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 235,665	\$ 1,575	\$ -
TTU Pharmacy School	5242	1,924,943	1,893,035	31,908	-
TTU 842 Pine	5308	853,999	853,999	-	-
Petrosmith Ph 5	5330.1	150,667	150,667	-	-
TTUHSC School of Nursing	5331	1,076,253	1,076,253	-	-
Rentech '12	5342	470,000	470,000	-	-
Hangar Doghouses A/E	5348.1	423,000	322,318	27,524	73,158
Hangar Doghouses Construction	5348.2	2,732,618	2,722,255	-	10,363
Hangar 0 Doghouse Construction	5348.3	2,000,000	603,023	897,703	499,274
EASI De-Fuel Truck	5354	111,560	78,200	7,800	25,560
Tucker Energy Services	5359	585,000	171,705	-	413,295
Five Points Infrastructure	5359.1	1,000,000	137,491	-	862,509
5 Pts RR Expansion	5363.1	30,800	24,320	-	6,480
Fehr Foods Expansion	5368	5,123,000	3,103,196	1,500,000	519,804
Broadwind Towers 2014	5373	679,300	679,300	-	-
Corley Wetsel Trucking	5376	455,200	-	-	455,200
Fehr Foods 14	5378	160,278	106,852	-	53,426
Gift Card System	5379	82,019	55,395	26,624	-
BWJ Consulting	5382	619,000	280,940	-	338,060
Datoo Technologies	5385	280,750	81,460	-	199,290
DCOA Strategic Planning	5386	130,000	125,000	-	5,000
Coca Cola Refreshments	5387	3,200,000	-	-	3,200,000
Martin Sprocket & Gear	5388	-	-	-	-
Industrial Maintenance Training AISD	5389	78,000	50,100	13,444	14,456
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	300,000	-	-	300,000
BCBS Roof Repairs	5392	953,400	-	-	953,400
TTUHSC School of Public Health	5393	87,422	87,422	-	-
Praire Dog Pet Products	5394	-	-	-	-
Spec 3 Remediation	5396	244,795	214,993	13,450	16,352
18/36 Industrial Park	5398	52,000	-	50,000	2,000
2016 Startup Week / 2017 Springboard	5399	32,500	-	32,500	-
Broadwind Towers	5400	715,000	-	-	715,000
TSTC New Abilene Campus	5401	4,000,000	-	-	4,000,000
AbiMar Employee Relocation	5402	25,000	-	-	25,000
Subtotal Economic Program Obligation Reserve		\$ 28,863,744	\$ 13,523,589	\$ 2,602,528	\$ 12,737,627

Plus Administrative Division Obligations:

Economic Development Operating Division	Division 2760	777,490	-	392,996	384,494
Life Sciences Property Maintenance	Division 2765	322,550	-	120,682	201,868
DCOA Property Maintenance	Division 2775	465,670	-	99,469	366,201
Abilene Industrial Foundation	Division 2775	619,780	-	158,159	461,621
TTU Small Business Dev Center	Division 2775	200,000	-	44,719	155,281
Chamber Military Affairs	Division 2775	397,000	-	88,967	308,033
Airport Business Development Manager	Division 2775	185,150	-	40,943	144,207
Subtotal Administrative Divisions Obligation Reserve		\$ 2,967,640	\$ -	\$ 945,935	\$ 2,021,705
Total reserve for obligated programs					\$ 14,759,332

DCOA Board approved projects waiting for signed contracts:

Dyess JLUS		\$ 50,000	6/17/17
Communities in Schools Coach		74,100	6/18/17
Abilene Campus land purchase	5401	179,600	08/20/17
		<u>\$ 303,700</u>	

**Development Corporation of Abilene
Revenue and Expense
Budget vs Actual Comparison
October 2016 - February 2017**

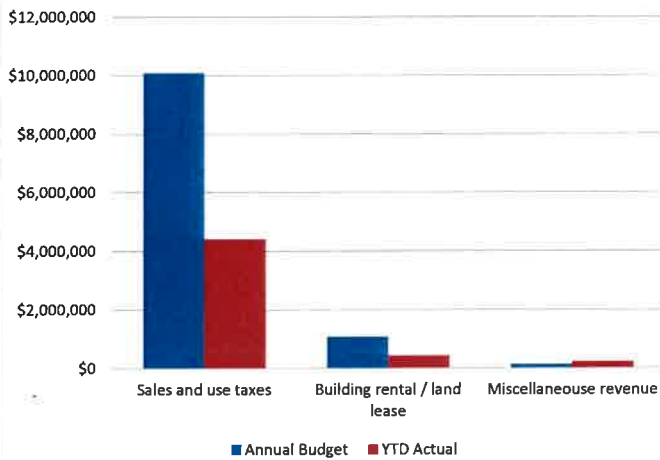
Revenue

	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,088,060	4,401,338	44%
Building rental / land lease	1,073,200	423,256	39%
Miscellaneous revenue	135,000	227,400	168%
Revenue	11,296,260	5,051,994	45%

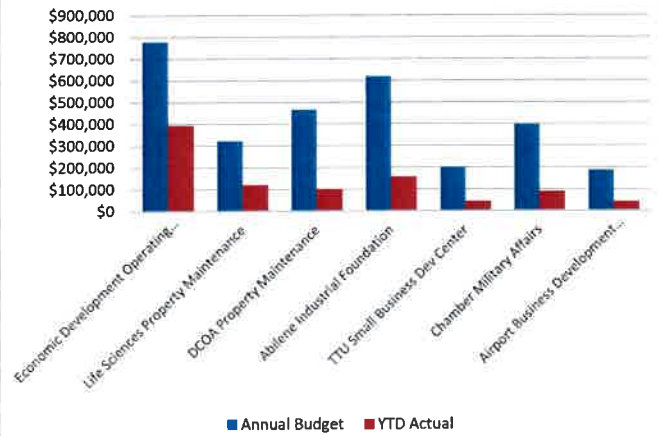
Expenses

	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	777,490	392,996	51%
Life Sciences Property Maintenance	322,550	120,682	37%
DCOA Property Maintenance	465,670	99,469	21%
Abilene Industrial Foundation	619,780	158,159	26%
TTU Small Business Dev Center	200,000	44,719	22%
Chamber Military Affairs	397,000	88,967	22%
Airport Business Development Manager	185,150	40,943	22%
	2,967,640	945,935	32%

FY 17 Budget vs Actual Revenue



FY 17 Budget vs Actual Expenses



DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: April 19, 2017

PROJECT: Semi-Annual Reports for FY17

STAFF: Kent Sharp, CEO

GENERAL INFORMATION

Since 1990, the DCOA has contracted with the Abilene Industrial Foundation (AIF) for promotion and marketing services for Abilene and the immediate vicinity. The AIF administers a marketing program, which includes magazine advertisements, e-newsletters, promotional videos, web-site management, trade shows, visits to consultants and/or prospects, retention visits to existing Abilene businesses, and hosting visits to Abilene by consultants and/or prospects. Recently, the AIF hired a Director of Talent Development to work toward promoting workforce training for area high school students and Abilene's underemployed.

The board first began funding the Military Affairs Committee in 1992 at the level of \$45,000 for marketing Abilene as an on-going base site as well as opportunity for acquiring additional assets from closed bases. A round of base closures occurred in 1995, so another \$500,000 was approved in 1994. Since then, efforts to retain Dyess AFB's assets and gain additional assets have increased to include consultants who work directly with Legislators and Air Force leaders on Abilene and Dyess AFB's behalf. The DCOA funds these efforts on an annual basis.

The Texas Tech University Small Business Development Center (SBDC) has also contracted with the DCOA since 1990, providing business counseling services to clients in a 17-county region, free-of-charge. The DCOA began partial funding of the Airport Business Development Management Program in FY02. The Airport Master Plan recommends pursuit of a marketing program that will help the airport build activity within its business segments.

SPECIAL CONSIDERATIONS

Attached are reports covering activities during the first one-half of the fiscal year, primarily from 10-1-16 through 3-31-17.

FUNDING/FISCAL IMPACT

None.

STAFF RECOMMENDATION

None.

ATTACHMENT

Abilene Regional Airport FY17 Semi-Annual Report
Abilene Industrial Foundation FY17 Mid-Year Progress Report
Chamber Military Affairs Semi Annual Report 2016-2017
TTU Small Business Development Center Mid-Year FY17 Report

S:\DCOA\Meeting Memos\FY2017\FY17 Semi Annual Contracts Report 04-19-17.doc

**Abilene Regional Airport's
FY 2017 Semi-Annual Report
To**

Development Corporation of Abilene

By using a visible marketing strategy including TV, radio, print and social media, the Business Development Management program continues its effort to increase airline passenger enplanements, recover some of our leaked passenger base, continue communication with other potential air carrier service and encourage economic growth for the airport. We find this method effective in keeping our 16 county catchment area cognizant of what Abilene Regional Airport has to offer and to consider Abilene Regional Airport first when making flight reservations.

Abilene Regional Airport appreciates the continued assistance received from DCOA, supporting our goal of improving air service and growing our customer base.

FY17 YTD Business Development Activity

Community outreach has been and will continue to be a priority to the Business Development program through speaking engagements and sponsorships to various civic organizations. Presentations made during these engagements highlight the operations of the airport, construction updates, air service needs and fare comparisons as well as focusing on the advantages of flying from Abilene versus driving to another airport. Additionally, we are reaching out to businesses, within our catchment area, that are already using the airport to develop a one on one relationship to show continued business appreciation.

We will continue to stay in contact with our regional community leaders and make ourselves available to speak at various events.

Presentations/Events FY17 YTD:

Oct. 5	Wake Up Wednesday, Abilene Chamber
Oct. 6	Leadership Abilene Class of 17, City Day
Oct. 21	Brownwood Chamber of Commerce Presenting Sponsor
Oct. 26	Texas Midwest Communities Network Exhibitor
Nov. 10	Guest of KTAB 4 U segment
Nov. 22	Giving Thanks Blitz (Corporate passengers)
Dec. 10-15	Passenger Appreciation- Holiday music programs
Feb. 7	17R/35L Runway Ribbon Cutting
Mar. 22	Abilene Business Expo

Marketing

TV, Radio & Print

New commercial produced and running, targeting our ABI-VIP program. Ran during the Super Bowl right before the half-time show. Received an up-tick in membership registrations.

Radio Advertisement is out, touting a "one-stop destination" campaign.

Billboards are placed on I-20, just east of Putnam and in Brownwood.

Social Media

Facebook: 3,141 page likes, engaging our 35 - 64 year old passengers with our story.

www.facebook.com/abileneairport

FY17 ABI Development report

Twitter: 1,125 followers, engaging our 18 – 45 year old passengers with imperative news and travel blogs.

@abiaairport

Instagram: 315 followers, engaging 15 – 30 year old passengers through pictures. @abiaairport

Sponsorships

Increasing our top of mind awareness while connecting with the community through sponsoring various events throughout the year.

Abilene Philharmonic Association – Program Sponsor

Abilene Zoo – Train Sponsor

TMCN- Marketing Sponsor

Taste of Abilene- VIP Sponsor

Brownwood Visitor & Relocation Package- Sponsor

Outlaws & Legends Songwriter Competition- Sponsor

Special Programs

ABI-VIP Passenger Rewards Program: 2,101 members-to-date. This program continues to grow and serves as a strong tool to communicate with our passengers as well as surrounding area businesses as they serve as sponsors. We have launched a new web application of this program as the previous one became outdated and not user friendly. This was the first of web-based changes for the airport as we continue to adjust to more web-based business solutions, such as Search Engine Marketing and Search Engine Optimization.

Parking Badge program: This program is still only available to one of our companies with high-volume business traffic. Upon implementation of the new parking revenue system we will offer this to other customers.

Customer Service Initiative: Annual training program for City and airline employees to increase positive customer service at the airport.

On the Airport

Enplanements: As of March 2017, YTD enplanements are up 8% over March 2016.

Revenues: Major revenue sources to the airport are the car rental concessions and the parking lot, this measurement is compared to March 2016 numbers.

Rental Car Revenue is up 14%.

Parking lot revenue is up 23%.

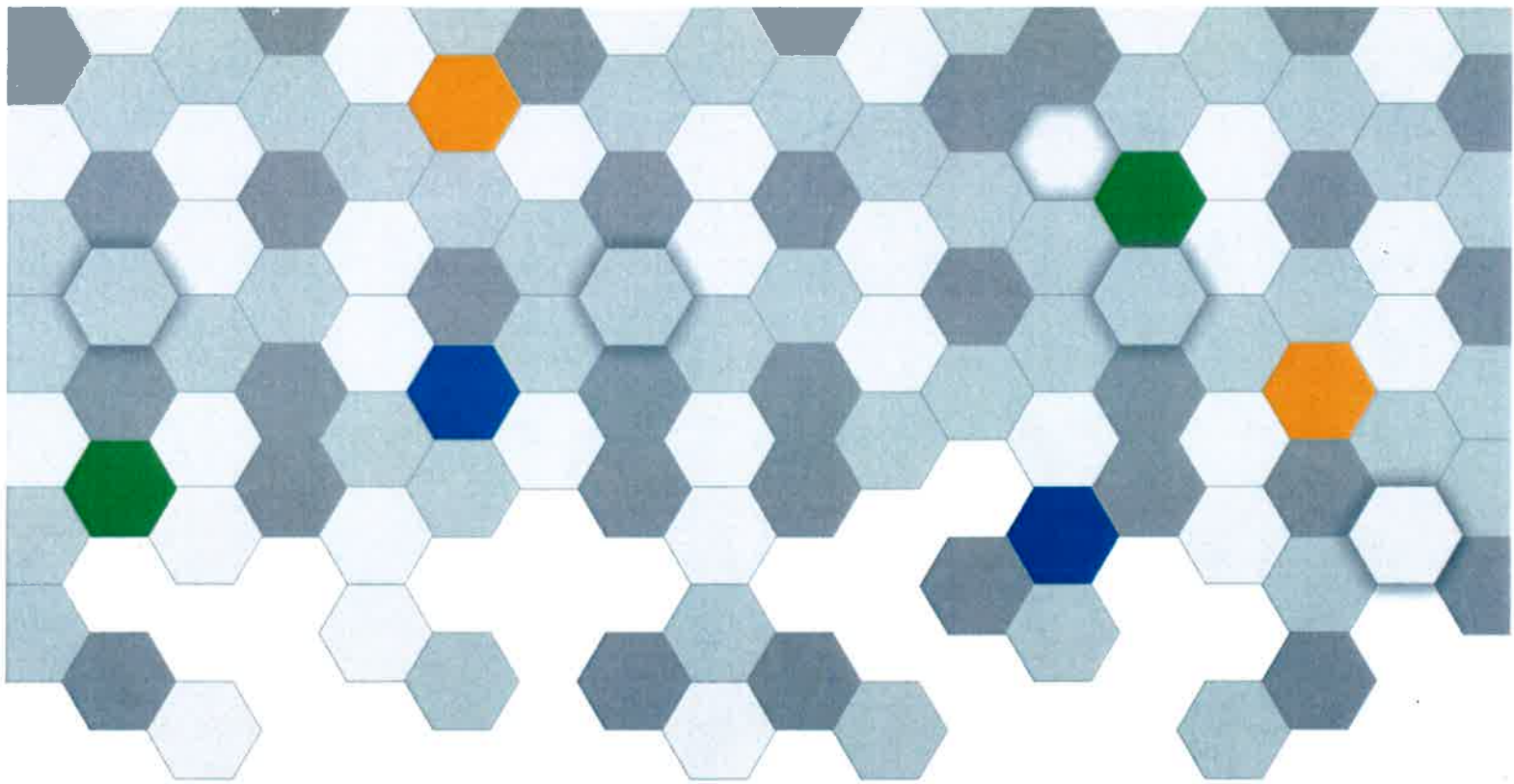
**rate increase as of July 2016*

Outlook:

ABI remains vigilant studying our market and the economy as we continue our marketing campaign efforts. We will continue to work with known regional companies that do international business and engage with companies flying in and out of the region.

As we look to the future of ABI we will consider additional resources of airport growth including potential industrial development on the airport. While networking through comparable airports nationwide it is clear that we have great potential for economic development. We continue conversations with additional air service providers, providing them with updates and information needed to look closely at potential growth for commercial service.

FY17 ABI Development report



Develop Abilene
Abilene Industrial Foundation

2016-2017 Semi-Annual Report

October 1, 2016 to March 31, 2017



April 12, 2017

Mr. Kent Sharp
Chief Executive Officer
Development Corporation of Abilene
174 Cypress St, Suite 301
Abilene, TX 79601

Mr. Kent Sharp:

In accordance with the terms of the Development Corporation of Abilene contract with the Abilene Industrial Foundation, the following progress report is submitted for the period of October 1, 2016 to March 31, 2017 inclusive. This report covers all categories listed in the AIF Marketing Plan. A brief summary of the data is as follows:

Marketing Budget	\$148,000.00
Spent to Date	\$47,958.41

Category	10/2016 thru 3/2017	4/2017 thru 9/2017	Total
Contacts	42	-----	42
Leads (Qualified)	11	-----	11
Retention/Expansion	66	-----	66
Consultant Activity	12	-----	12
Trade Shows/Conferences	6	-----	6

The following report reflects mid-year marketing summary, retention activities, and financial report for this period. Please let me know if you have any questions regarding the content.

Sincerely,

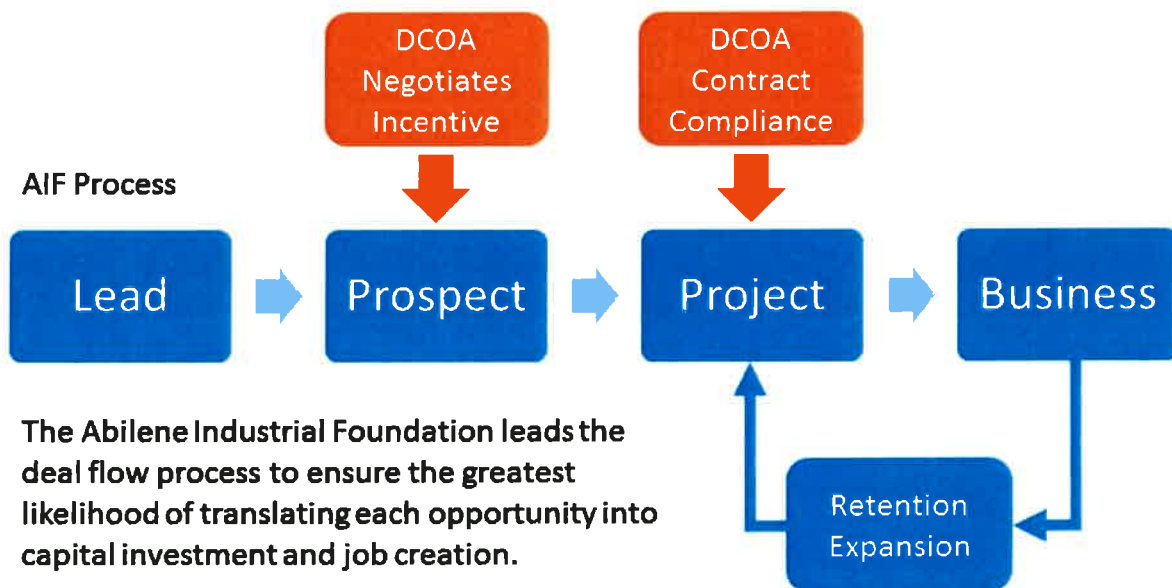
Justin Jaworski
cc: Kim Tarrant, Doug Peters

About the Abilene Industrial Foundation

The Abilene Industrial Foundation, an affiliate of the Abilene Chamber of Commerce, serves as the marketing and development arm for the Development Corporation of Abilene. Its purpose is to promote the growth, development and diversification of the economy in and around Abilene, Texas, by attracting new industries, retaining and expanding existing industries and supporting the federal, state and military agencies presently located in Abilene.

In fulfillment of its contract with the DCOA, the AIF devotes a considerable amount of effort generating contacts. From these contacts, the organization aims to produce qualified leads for new business. Once qualified leads have been identified, a diligent effort is undertaken to translate each of these into actual projects for new business development. This "deal flow" process is designed to create investment for the City of Abilene as depicted in the following diagram.

Deal Flow Process



Contacts

Contacts are categorized as one of the following: general information requests, new business inquiries, searches for commercial real estate and questions regarding economic development incentives.

Contacts from October 1, 2016 to March 31, 2017

42

Contact Summary

The following table summarizes the types and number of contacts generated over the past six months.

<i>Contact Type</i>	<i>Contacts</i>
<i>General Information</i>	17
<i>Commercial/Industrial Real Estate</i>	11
<i>New Business</i>	11
<i>Economic Development Incentives</i>	3

Contacts are the first step in generating potential leads for new investment. In many cases, a contact uses the information provided by the AIF as part of its site selection process. This process has been known to happen in as short a time as a few weeks and as long as 2-3 years, depending on the project. In most cases, the majority of these information requests are for general information such as demographics, population, workforce and infrastructure. This information is subsequently added to a database that is used to compare multiple sites. Though a great deal of this information is publicly available, information provided at the community level is often more accurate than nation-wide databases.

Leads

Leads are defined by those requests that express an interest in doing business specifically in Abilene. Many of these leads come from the Governor's Office of Economic Development and Tourism who have made a request for an RFI/RFP. Other leads come from direct contact with site consultants and businesses.

Leads from October 1, 2016 to March 31, 2017

11

Qualified

6

Unqualified Leads

Every year the AIF receives leads for new and expanding business. In many of these cases, the organization is asked to "qualify" the city's ability to provide the specified criteria outlined in the request. In some instances, a lead is designated as "unqualified." This designation is assigned when mandatory criteria specified by the client or contact cannot be met. Even in this instance, these leads are recorded in the AIF database in order to map trends that might help the economic development program better position the City of Abilene to qualify for these leads in the future.

For this portion of the fiscal year, 11 qualified leads were identified that were provided with summary responses. These leads represented an estimated potential capital investment of \$347 million that would create upwards of 1,200 new jobs. The 6 leads that were unqualified were due to the lack of available industrial buildings. Previous economic development studies, including the most recent, have cited Abilene's lack of available real estate as a major barrier to growth. In most cases, these leads are seeking industrial buildings between 100,000 to 250,000 square feet in size.

Furthermore, Abilene's lack of a "super site" that measures at least 300 acres, prevents the city from offering a competitive solution to very large projects. These leads represent significant opportunities for capital investment and job creation that could be located in Abilene, but are not even considered without the infrastructure to submit for these opportunities.

Business Retention/Expansion

Abilene provides an ongoing network of support to help primary employers promote growth and expansion. The Business Retention-Expansion (BRE) Program performs annual on-site visits to employers, providing a platform for businesses to express interest in expansion. The BRE program also provides an avenue for businesses to communicate issues affecting their operations including workforce, infrastructure or capital and to make requests for assistance to address these concerns.

Program objectives include:

- Demonstrating support for local businesses
- Identifying opportunities for expansion
- Helping solve immediate business concerns
- Building community capacity to sustain growth
- Establishing a long-term plan to meet the needs of primary employers

Retention/Expansion from October 1, 2016 to March 31, 2017

66

BRE Contacts

19

BRE Visits

Business Retention/Expansion Contacts

In addition to actual "visits," the BRE Program also aims to make contact with Abilene manufacturers in other ways. For this portion of the fiscal year, the AIF hosted its Semi-Annual Manufacturers Luncheon at Lytle Land and Cattle. About 38 people attended from 20 Abilene organizations and heard about the organization's new workforce initiative and meet new staff members. The AIF also made personal visits to 27 businesses in December as part of an ongoing effort to express the community's gratitude for their presence in Abilene. These visits provide holiday gifts via in-person delivery from AIF staff. Efforts such as these have proven to generate goodwill between the city and Abilene's primary employers, helping ensure the company feels like a valuable part of the community.

Business Retention/Expansion Visits

The AIF met with the following businesses in the first half of the fiscal year. The company's total employees are listed in addition to a general indication of their overall employment. As with any company, these numbers fluctuate throughout the year for a wide range of reasons, sometimes unique to that select business.

<i>Date</i>	<i>Company</i>	<i>Employees</i>	<i>Status</i>
10/7/2016	Texas Aerospace	37	Steady
11/2/2016	Nation Wide Products	20	↓ 20
11/2/2016	Robinson Fans	17	↑ 2
11/8/2016	Texas Healthcare Linen	74	↑ 11
11/17/2016	Datruo Technologies	14	↑ 4
12/1/2016	Tiger Manufacturing	50	Steady
12/2/2016	AEP Texas	175	Steady
1/19/2017	Abilene State Supported Living Center	1,350	↑ 110
1/26/2017	Clavél Corporation	14	Steady
1/26/2017	Lone Star Canvas & Sign Works	10	Steady
1/31/2017	Milsoft Utilities	65	↑ 5
2/3/2017	Blue Cross Blue Shield of Texas	1,087	↑ 37
2/15/2017	Bridgestone-Bandag	160	↓ 5
2/15/2017	Cooperative Response Center	52	↑ 11
2/27/2017	MicroMetals	16	↓ 18
3/15/2017	Prairie Dog Pet Products	150	↑ 150
3/15/2017	Pactiv	100	Steady

Notable findings from these meetings include the following:

- Nation Wide Products' downsize was largely relative to a series of mild winter weather and less demand for their foam faucet covers, one of two leading products for the company.
- The Abilene State Supported Living Center outlined their plans to request funding to upgrade some of their facilities, purchase transportation and give a wage increase to their employees.
- Both Tiger Manufacturing and Datruo Technologies were added to the BRE Program.
- Texas Healthcare Linen has been added to the BRE Program this fiscal year and reported plans to grow their business to include more hospital facilities.
- Blue Cross Blue Shield celebrated its 20-year anniversary in Abilene and is completing the expansion of their facility on Industrial Boulevard.
- Prairie Dog Pet Products is up and running in their new facility. The company is still making plans to grow their total employment and production to 400-500 depending on product demand.

Marketing

AIF marketing initiatives cover a wide range of goals, but mainly focus on:

- Branding Abilene in regional, state and national markets as a destination for new and expanding business development
- Creating and maintaining relationships with existing businesses in order to quickly identify opportunities for retention/expansion
- Building and growing relationships with site selection consultants, especially those within the greater Dallas/Ft. Worth metropolitan area
- Highlighting successes of the economic development program to local, state and national audiences

Advertising

The AIF places a number of ads in a wide range of publications throughout the year. In keeping with the ongoing effort to update our messaging, new advertisements have been designed to better communicate the economic development opportunities in Abilene.

Advertising Metrics from October 1, 2015 to March 31, 2016

Placements	Print Impressions	Digital Impressions
8	35,500±	77,500±

Website and Social Media

The AIF uses its website and social media networks (Facebook, Twitter and LinkedIn) to promote Abilene as a prime destination for new business development. The following metrics represent an increased level of engagement with the Abilene economic development program and its value.

Google Analytics for October 1, 2016 to March 31, 2017

Users	Sessions	Page Views	Mobile	Bounce Rate
2,243	3,090	6,599	672	59%

Social Media Analytics for October 1, 2016 to March 31, 2017

Facebook		Twitter		LinkedIn	
Posts	13	Posts	8	Posts	8
Likes	91	Followers	10	Followers	16
Website Clicks	2	Impressions	2,412	Impressions	101

Marketing Materials

The AIF produces and distributes a number of printed materials. These include the Community Profile (in two forms), the Manufacturers Directory, maps for Five Points Business Park and several other various items used for promotional purposes. These publications are periodically updated for both print and digital distribution.

Printed Distribution from October 1, 2016 to March 31, 2017

218

Public Relations

A critical part of DevelopAbilene's economic development efforts are focused on promoting the City of Abilene. To accomplish this endeavor, the AIF composes press releases and is host to media events that highlight successes of the economic development program. On December 14th, the AIF coordinated an event to recognize the completion of Coca-Cola's plant expansion. At an estimated \$32 million investment, the completion of the project represented one of the largest expansions in the community's history. Though the incentive was based on a retention basis, requiring the plant to maintain 85% of their 300 employees, Dave Duttlinger (newly appointed plant manager), indicated the plant had increased their total employment to 325 as a result of the increased production. Approximately 40 people from the DCOA, Abilene Chamber of Commerce, and the Abilene Industrial Foundation were present to hear a brief presentation from Mayor Norm Archibald, followed by a brief tour of the plant. The event received great coverage from both the Abilene Reporter News and KTXS, the local ABC news affiliate.

Public Relations Summary for October 1, 2016 to March 31, 2017

Placements	Advertising Value	PR Value	Impressions
421	\$64,850	\$97,275	4,197,448

(PR Value or Public Relations Value is valued at 1.5 times the Advertising Value)



Trade Shows and Conferences

The AIF regularly participates in trade shows and conferences to promote prospect development, recruiting efforts and networking opportunities. The AIF, and its membership organizations, will participate in the following events, pursuant to the city's target industries.

Trade Shows and Conferences for October 1, 2016 to March 31, 2017

- World Ag Expo - Largest agriculture expo in Tulare, California
- AWEA O&M - Wind Energy Operation & Maintenance and Safety Expo in San Diego, California
- MRO Americas - Aviation aerospace trade show in Dallas, Texas
- National Farm Machinery Show in Louisville, Kentucky
- Austin Allies - The High Ground of Texas in Austin, Texas
- Day at the Capital - Texas Midwest Community Network

Site Consultant Activity

The AIF conducts direct visits with site selection consultants and attends networking events with these individuals when the opportunity arises. The consultants targeted are those with a proven track record of producing clientele that Abilene has designated as attractive. With the success of past consultant special events, the AIF will continue to use these settings to build and strengthen relationships with a select group of consultants.

Consultant Contact from October 1, 2016 to March 31, 2017

12

Consultant Connect in Dallas, Texas

Local Communications

Recent years have indicated that a significant level of public unfamiliarity exists in regard to the value created by local economic development efforts. As a result, a "Local Communications" initiative was put in place to develop awareness of the activities and effectiveness of DevelopAbilene. The effort featured successful projects and businesses operating in Abilene the past two years it has been in place. For the first half of fiscal year 2016-2017, the AIF featured a special education piece that provided an overview of the economic development program and a second focused on the recent expansion of the Coca-Cola plant. Additionally, the organization's new data analysis model has been used to provide an estimated economic impact for projects being considered for incentives. The model is based on the North American Industry Classification System multipliers that combine with adjusted data, specific to the Abilene area, in order to provide decision makers a return on investment for a project.

Downtown

As part of the organization's efforts to support Strategy 6 of the Strategic Plan that aims to "make downtown Abilene a center for employment and investment," the AIF spent a significant amount of energy towards the development of a downtown hotel. The City's initial work to acquire Request for Proposals from private sector developers were not answered. In response, the AIF lead an effort to reimage the initiative as part of a greater vision for downtown Abilene. This vision focused on creating "a sense of place" for this vital part of the city, which included a downtown hotel and convention center.

As a result of that effort, a more comprehensive RFP was submitted which garnered immediate attention from several private developers. The response was significant enough to warrant an extension of the deadline to allow two additional developers that wished to submit a proposal, but needed more time to do so. After receipt of these proposals, the City selected Garfield Public Private as the choice developer for this endeavor.



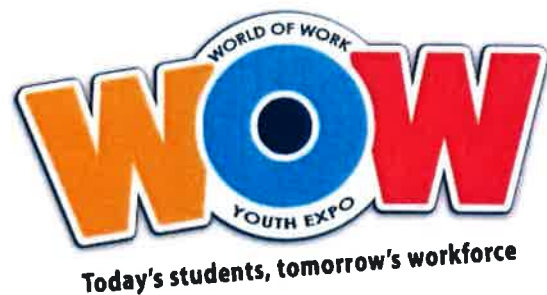
Since that time, the organization, in concert with the Abilene Chamber of Commerce and the City of Abilene, has been working to support the critical legislation needed to provide the public incentives for this project. As part of this process, the AIF has composed a draft economic impact analysis to demonstrate the project's economic value over a 20-year period of time. This draft study estimates that at full operation, the new facility would generate \$21.9 million of economic output each year and increase the region's gross area product by \$13.7 million.

Workforce

For Fiscal Year 2016-2017, the AIF undertook a new workforce initiative with a primary focus to serve as a liaison between business and education. This initiative was supported by creating a new position to oversee its implementation through a "Director of Talent Development" held by Shea Hopkins. In its first six months, this initiative materialized in the following programs.

World of Work Expo

World of Work is a youth expo where students from the region can explore various career opportunities. With participation of approximately 2,300 students and a growing interest from Abilene employers, this event represents a bigger platform to build a greater workforce initiative. Workforce Solutions, the event host, invited the AIF to participate in this year's event in order to promote engagement from Abilene's primary employers. In doing so, an additional 40 businesses participated in the event, helping connect many of Abilene's primary employers with the workforce of tomorrow.



Industry Sector Partners

Workforce Solutions also asked the AIF to assist with the identification of Industry Sector Partners initiative. This endeavor focused on identifying those businesses within the manufacturing and health care industry in the 19-county workforce region and gathering them at a formal event. In doing so, the participants were able to realize opportunities to learn from one another and identify common problems that could be addressed by supporting agencies. As of this report, this initiative is still underway and yet to produce an end result. However, participants have reported a great degree of gratitude for the event as a platform to communicate with one another and Workforce. Though this was a regional event, Abilene-based employers have asked the AIF's support to help address those problems and opportunities identified at the end of the process.

Manufacturing Advisory Committee

The AIF also created the "Manufacturing Advisory Committee." This group will be comprised of leaders in manufacturing from the greater Abilene region focusing on building an accurate assessment of the needs and concerns of these industries as a response to the Industry Sector Partners. This information will help guide many significant decisions regarding curriculum and scholarships and is being Chaired by Brien Burke. Brien is employed as the Production Manager at Rentech Boiler Services Inc. and serves as the subcommittee champion for Team Workforce on externships. Both his work experience and personality lend themselves well to this role and will materialize many of these concerns into programs and initiatives designed to build solutions for the problems and help identify opportunities at the end of the Industry Sector Partners effort.



Upscale Initiative

As part of the AIF's ongoing effort to upscale the greater Abilene workforce, a series of meetings have been held with AISD, WISD, Cisco College and TSTC. Over the past six months the AIF also had multiple meeting with the new Director of Career and Technical Education for the AISD, Ryder Appleton. The purpose of these conversations is to ensure that curriculum align with the local industry demands.

These meetings provided an opportunity to tour the CTE (career and technical education) classrooms and discuss the goals and vision Mr. Appleton has for the program. The CTE program has grown into an enormous selection of coursework and practicums (co-op and OTJ training) that cover 16 career clusters.

In addition, constructive meetings with John Doshier from TSTC have also taken place to begin elevating manufacturing and education to a new level of connectivity that was previously lacking. The discussion covered both new and existing continued education possibilities. Several manufacturers over the past few weeks have reached out to the AIF with workforce concerns and training issues. As a result, the AIF is working to connect those manufacturers with courses that would address these concerns and help them improve and retain their current employees. In response, the AIF and Mr. Doshier drafted a series of courses that could serve companies such as Broadwind, Prairie Dog Pet Products, and AEP. The meetings had can be categorized into two major groups: Educators and Business.

Workforce Contacts from October 1, 2016 to March 31, 2017

21

Education Contacts

15

Business Contacts



CTE Month

CTE Month is held each February to celebrate National Career Technical Education Month and the achievements and accomplishments of CTE programs across the country. Working with Team Workforce, the AIF lead a public relations initiative to highlight CTE education in Abilene. The effort aimed at a common misconception that success is only found in a 4-year degree.

To accomplish this goal, the AIF compiled a list of local subject matter experts to speak on specific points promoting CTE. These same experts worked with the AIF to be featured on local television, radio and newspaper outlets in order to generate interest in CTE programs throughout the month of February in conjunction with communities across the country.

A great degree of this was accomplished by describing the three high schools, two technical colleges and four universities, which all offer CTE courses. Historically, these course programs have been underutilized despite being instrumental in the growth of Abilene's workforce. This initiative is in line with Strategy 10 of the TIP Plan which aims to "Launch a community-wide public awareness campaign designed to encourage residents to become ambassadors for Abilene's success."

The AIF approached the challenge of changing perceptions about the value of a 2-year technical education through knowledge in several ways. Throughout February, 15 different radio interviews were done on multiple stations, covering a myriad of topics including high school, post-secondary and non-profit CTE programs. Over 100 PSA's covering CTE success stories as well as informational spots aired over television and radio. All together the media partners contributed over \$45,000 worth of free coverage in support of this effort.



Local Media Involvement





Communities in Schools

In late 2016, the AIF submitted a proposal to the DCOA to provide funding for Communities in Schools (CIS) of the Big Country for a new workforce initiative. CIS has a mission to surround students with a community of support, empowering them to stay in school and achieve success in life. The organization accomplishes this mission by providing "student success coaches" to improve their attendance, academics and life choices.

Through a school-based Student Success Coach, CIS strategically aligns and delivers integrated student support designed to help students improve school performance. The organization is credited with helping many local students overcome challenges both in and out of the classroom to achieve a high school diploma. Realizing the opportunity to replicate this same model of success, the AIF coordinated with CIS to draft a proposal that would place a full-time success coach on site at Cisco College.

Doing so would accomplish the following objectives:

- Channel local "at-risk" students towards CTE opportunities for in-demand positions, greatly increasing their likelihood of life success
- Increase the rate of AISD students that enroll in two-year education (an area that needs improvement)
- Take advantage of scholarships funded by DCOA that have been underutilized
- Help CIS accomplish a long-term goal of helping students beyond the high school setting
- Increase the skill level of the Abilene workforce

The long-term goal of the initiative will be to build a deep and highly-skilled talent base of local talent, capable of positioning Abilene graduates for success, but the benefits don't stop there. The businesses that hire these graduates will be able to resolve a major barrier for growth, enabling them to not only continue operating, but facilitate their ability to expand operations. These factors have been identified as key components in positioning Abilene for long term growth and prosperity for residents and businesses.

In January 2017, the DCOA Board of Directors approved funding for eighteen months that includes the salary and benefits of the Student Success Coach. The DCOA's involvement for eighteen months as opposed to twelve will be beneficial in measuring the accomplishments and completion of goals set forth in the proposal. The coach will be managed by CIS as well as the AIF's Director of Talent Development. A candidate was chosen to fill this new role as the success coach who is a licensed master social worker and is already a CIS employee, providing a great advantage in understanding the mission and purpose of this partnership. The main objective and success criteria for the partnership will be to place students in the high-demand training programs in Abilene, ensuring their completion of these programs and helping them secure employment with a local company.

Marketing Budget

The following table is a summary of marketing expenses incurred in the first six months of the fiscal year. At this point in time, the AIF marketing budget is usually between 25%-35% expended as most of the marketing budget is used in the second half of the fiscal year. As of this report, approximately 32% of the budget has been spent. As seen in the following table, though the AIF did not originally budget for Workforce Marketing prior to the 2016-2017 Budget timeline, however, the DCOA only approves a marketing budget. From this, the AIF then allocates to these line items, pursuant its contract. As seen in the report, the AIF has added a new workforce initiative that will continue to grow as it represents both a significant barrier and substantial opportunity to economic growth.

<i>Category</i>	<i>Budget</i>	<i>10/1/16 to 3/31/17</i>	<i>4/1/17 to 9/30/17</i>
<i>Advertisements</i>	\$20,000.00	\$13,307.00	\$----
<i>Marketing Materials</i>	\$15,000.00	\$8,987.14	\$----
<i>Website</i>	\$1,000.00	\$183.57	\$----
<i>Memberships & Affiliations</i>	\$10,000.00	\$1,750.00	\$----
<i>Public Relations</i>	\$11,000.00	\$0	\$----
<i>Local Communications</i>	\$15,000.00	\$365.00	\$----
<i>Direct Mail</i>	\$1,000.00	\$0	\$----
<i>Site Consultant Activity</i>	\$25,000.00	\$3,228.31	\$----
<i>Business Retention Activity</i>	\$20,000.00	\$10,268.70	\$----
<i>Trade Show/Conferences</i>	\$30,000.00	\$9,813.32	\$----
<i>Workforce Marketing</i>	\$----	\$55.37	\$----
<i>Total</i>	\$148,000.00	\$47,958.41	\$----



April 12, 2017

Memo for: Board of Directors, Development Corporation of Abilene (DCOA)
From: Abilene Chamber of Commerce (ACOC)
Subject: Semiannual Report on Military Affairs, November 2016 – April 2017

EXECUTIVE SUMMARY: The Military Affairs Committee (MAC) planned and executed several outreach and engagement efforts since October. While the ongoing local support for Dyess Airmen will continue to be a distinct advantage in these efforts, a key focus is building relationships with senior military and elected officials. These efforts will allow us to proactively posture Abilene and Dyess to ensure the success of the military mission, thereby protecting the long-term viability of Dyess AFB.

This report describes the activities of the ACOC in the area of military affairs from November 2016 to April 2017. The intent is to provide the DCOA Board with information to achieve transparency and accountability for the use of taxpayer dollars. The emphasis of our efforts is on outreach and engagement activities external to Dyess AFB. Additionally, the local support to Airmen and the base provided by the volunteer Military Affairs Committee is an integral component of the overall community support for the base, and although not directly funded by DCOA, those activities are also an essential part of the overall efforts.

The operating environment for the Air Force at the federal level remains a challenge. Despite the current administration promises for greatly increased defense funding, there appears to be little appetite for large additions to the DoD budget. There is, however, increased interest in reducing costs by eliminating excess infrastructure, and the apparent support for another round of base closures or reductions is growing in Congress. This is not a simple issue to address, and the potential for unilateral reductions in force structure at a single base could be a bigger threat than a full Base Realignment and Closure (BRAC) process. Funding for the Air Force will be a challenge, particularly if Congress chooses to continue to use the Fiscal Year 2016 budget through a Continuing Resolution (CR) for the remainder of 2017. Dyess B-1B Lancers are currently deployed to Guam as part of the Continuous Bomber Presence mission in the Pacific, and our crews have been highlighted in the news during exercises with Japan and South Korea. The C-130J Super Hercules is still in high demand worldwide, and our current position as one of only two active duty C-130J bases in the Continental US appears to be solid. Funding for the B-21 Raider development is still satisfactory, although a year-long CR could delay parts of the development by 6-12 months. We will sustain our efforts to increase awareness of the strategic

advantages offered by Dyess AFB, as we prepare to compete during the Global Basing decisions process in the next few years. The ACOC will continue to closely monitor these and other developments to proactively position ourselves as favorably as possible.

In December, the MAC sent a representative to Austin along with officers from Dyess to participate in the first-ever Texas Defense Summit. Attendees included state senators and representatives, community leaders, industry experts, and officials from the Governor's Office. The summit served as an opportunity to share issues and concerns, and to advocate for statewide support for the fifteen military installations across Texas. The Summit is expected to become an annual event.

In February, two Military Affairs Committee members represented Abilene at the 8th Air Force Commemoration, celebrating 75 years of service. Senior Air Force members, including General Robin Rand, Commander of Global Strike Command attended, along with numerous invited civic leaders. Later that month, MAC Chairman Gray Bridwell and Chamber VP for Military Affairs Brian Yates participated in the Association of Defense Communities Innovation Conference in San Antonio. Both served as panel members discussing the importance of community support for military installations, and the invitations were a direct result of the reputation for outreach and engagement that Abilene has developed over the years. Abilene is clearly perceived as a leader in the nation among defense communities.

In March, several MAC members undertook a whirlwind visit to our nation's capital to carry our concerns and issues to our elected officials. The meetings included meetings with the staffs of Senator Ted Cruz, who serves on the Senate Armed Services Committee, and Senator John Cornyn, Senate Majority Whip. It also included meeting with Congressman Mac Thornberry, Chairman of the House Armed Services Committee, and Congressman Jodey Arrington from our 19th district. The team was also able to meet with Congressman Beto O'Rourke, also on the House Armed Service Committee, and the staff for Congresswoman Kay Granger, on the Defense Appropriations Subcommittee. During each of the meetings, the MAC members carried the message about the importance of Dyess AFB to national security, the criticality of continuing the funding for the new B-21 Bomber, and the many advantages of Dyess that would make it an ideal location for the new aircraft. The trip also included meetings with various defense industry representatives, including Lockheed Martin, Boeing, and Northrup Grumman.

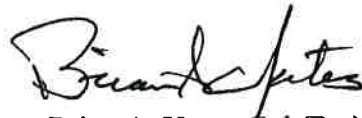
Later in March, the MAC sent representatives to the Air Force Global Strike Command Civic Leaders meeting at Whiteman AFB, Missouri. This gathered the civic leaders and advisors together with the senior officials from our primary Major Command to discuss current and future issues that could affect both the service and the communities around them. The meeting laid the groundwork for future relationships, including creating an opportunity to meet our new incoming 7th Bomb Wing Commander. That Change of Command is expected in August.

In local efforts, we will increase our focus on raising private funds for the Dyess Memorial Park Expansion. We have created a standalone website, dyessmemorialpark.org, which allows donations from anyplace with internet access. We will also step up our engagement with local foundations and community groups to spread the word. We have an amazing scale model which was donated by local architects, CADCO, and are finalizing the engineering plans to enable construction as soon as the money is raised.

We also continue to support the city's Joint Land Use Study meetings, which are important for the long term viability of Dyess, and demonstrate the community's interest and commitment to being a good neighbor to the base.

As always, none of these efforts would be possible without DCOA's recognition of the value of this important work and commitment to annual funding. The Abilene MAC is a true public-private partnership that continues to pay dividends for Abilene and Dyess AFB. Thank you for your continued endorsement and support.

Any questions regarding the contents of this report may be directed to the Vice President for Military Affairs.

A handwritten signature in black ink, appearing to read "Brian A. Yates". The signature is fluid and cursive, with the first name "Brian" being more prominent.

Brian A. Yates, Col (Ret), USAF
Abilene Chamber of Commerce
Vice President for Military Affairs

America's SBDC
Texas Tech-Abilene
Mid -Year Report FY17



America's Small Business Development Center

Mid-Year Report FY17

Abilene Jobs To- Date: 94.5

Capital I Formation To- Date: \$1,192,910

Dyess Assistance (Abilene SBDC Clients Only) FY15-FY16: \$14,774,234

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AMERICA'S TTU- SBDC is CELEBRATING 30 YEARS OF SERVICE TO ABILENE AND SURROUNDING 16 COUNTIES.

The TTUSBDC-Abilene will be joining the Abilene Chamber of Commerce in celebrating Small Business Week and the TTUSBDC-Abilene's 30th Anniversary on May

FUNDING UPDATE:

The Federal Funding will see some changes as U S Small Business Administration (SBA) will be eliminating some of their duplicate programs, however, after the Committee Hearing I believe the SBDC program will stay strong and other duplicates will be deleted.

Due to the uncertainty of the State of Texas (Comptroller's Office) and reduced staffing the Texas Tech SBDC has focused strictly on meeting the needs of the small business clients. State of Texas (Comptroller's Office) has deleted a large number of "Letters of Revenue Neutral" requests from the current budget session. The letter has been the funding vehicle from the State for the SBDC program in the past. Currently the cautious optimism of funding being reinstated with a 10% decrease. Much appreciation extended to the Development Corporation of Abilene for their local support of the SBDC allowing the program to continue to serve our citizens.

DYESS ASSISTANCE

Several meetings with Ms. Merry Sargent-Green, Director of Business Operations 7th Contracting Squadron, at Dyess. As previously noted during the fiscal year of 15-16 the SBDC assisted clients in preparing to submit bids that resulted in 14mm. In addition the SBDC will be assisting with the Dyess annual event of connecting small businesses owners and airmen who process purchasing for their

squadrons. The TTUSBDC-Abilene accompanies and assists the U S Small Business Administration during their Dyess training events.

CONTINUE TO PROVIDE SPECIALIZED ASSISTANCE TO VARIOUS ORGANIZATIONS AND EDUCATORS:

Meetings with Dean of the College of Business at McMurry to develop a business student and business owners group for the fall. The McMurry student group would take on a special task (marketing, management, etc.) for a local business owner with the SBDC oversight. A plan for expansion or daily operations will be developed from research and a presentation will be presented to the business owner.

Wylie High School has developed a unique concept for their Entrepreneurship class. We continue to meet with the Principle and instructors to assist in development. Wylie plans to roll this venture out in the near future. Simple plan that started with a few students wanting to become entrepreneurs has developed business model that can be utilized in all areas but primarily the CTE classes.

Partnering with the Abilene Chamber of Commerce as they prepare to roll out the Business Tools Website.

Currently working with the Abilene Library to deliver seminars to their various locations.

SBDC employee will be assisting with the Abilene Downtown Association committee as they develop a much needed logo for the Downtown businesses.

ADVOCACY BOARD:

In the process of developing a local Advocacy Board. Currently Board structure consist of two individuals from the local Abilene service area. The board convenes semi-annually with representatives from the other six regions of Northwest Texas SBDC.

SBDC STATUS:

The TTUSBDC-Abilene has limited the number of outreach programs due to reduced staffing. The current reduction due to a staff departure. Rehire for that position was temporarily curtailed due to the State of Texas hiring freeze. Pleased to state that the TTUSBDC-Abilene has been able to provide a consistent level of service due to the extra effort and dedication provided by the current employees.

LOCAL COMMUNITY OUTREACH:

Abilene Chamber of Commerce – Board Member

Abilene Christian University – Springboard – Several SBDC clients accessing the program.

Workforce Task Force - Involvement

Hispanic Business Council – Ex-official Board Member

Black Chamber of Commerce – Small Business Committee

Texas Midwest Community Network

SUCCESS STORY SAMPLE:

SBDC assisted client in developing plans for the following:

Three pharmacy locations and currently working with client on becoming a pharmacy wholesale distributor.

X-Golf.

Individual providing food establishment for Under One Roof.

Has-I Teppan Grill – first and second location.

Acquisitions – SBDC assisted in developing a plan for the purchase of:

Under One Roof

Beemer's Gymnastics.

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: April 19, 2017

SUBJECT: DCOA FY17 Semi-Annual Report of Activities through March 31, 2017

FROM: Kent Sharp, CEO

GENERAL INFORMATION:

A report of activities for the first one-half of the current fiscal year has been prepared. The report covers the 6-month period beginning October 1, 2016 and ended March 31, 2017.

SPECIAL CONSIDERATIONS:

Kent Sharp will present the report to City Council in May.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Staff recommends the Board approve by oral resolution the attached report of activities for the 6-month period ended March 31, 2017.

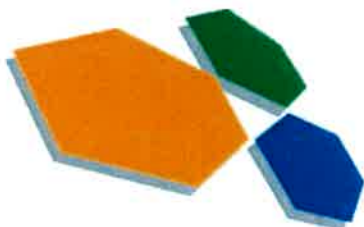
ATTACHMENT:

Development Corporation of Abilene, Inc.
Report of Activities for period ended March 31, 2017

DEVELOPMENT CORPORATION OF ABILENE



SPRINGBOARD



SEMI-ANNUAL REPORT OF ACTIVITIES

October 1, 2016 – March 31, 2017

Project Summaries

October 1, 2016 to March 31, 2017



Abilene Christian University Sponsorships

The DCOA approved a \$7,500 Platinum level sponsorship of the 2016 Startup Week for Entrepreneurship at Abilene Christian University (ACU) and a \$25,000 Platinum level sponsorship of the 2017 Springboard Competition. The DCOA has sponsored the Springboard competition in years past and this was the first year to sponsor the Startup Week. The third annual Startup Week took entrepreneurs to Abilene Independent School District high schools and middle schools, and included a variety of on-campus events. The week of November 14, 2016, featured 125 events sponsored by the Griggs Center for Entrepreneurship and Philanthropy and the Collegiate Entrepreneurs Organization.

Strategic Plan Kent Sharp, CEO of the DCOA gave a report to the Board in November and the Abilene City Council in February on the progress made to date by all the different partners involved in the Strategic Plan (the Plan). In March of 2017, the DCOA held a joint meeting with the Abilene City Council, during which Alex Cooke with TIP Strategies (TIP) presented the annual Accountability Scorecard of progress made toward goals identified in the Plan. He congratulated Abilene on the fantastic job all the partners had done implementing the plan during the first year. He continued by stating there should be continual re-evaluation; shifting of priorities and time frames; new strategies and actions added, and new resources allocated going forward to keep the momentum going in years two through five and beyond.



Abimar Foods, Inc. The DCOA Board approved assistance up to \$25,000 for Abimar Foods, Inc. to recruit up to 50 out-of-state employees to work at either the North 1st or South 1st Street plants. The DCOA provided a \$500 match per employee to AbiMar's \$1,750 for total employee relocation assistance of \$2,250. To date, only a few out-of-state employees have accepted the assistance to relocate in Texas.

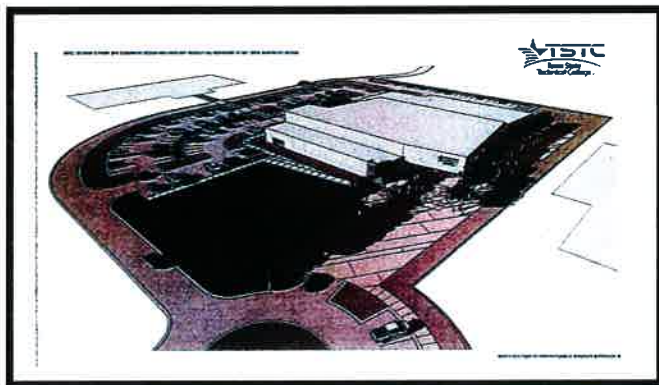


Communities in Schools of the Big Country There exists a growing need for a skilled workforce to meet the needs of Abilene employers, current and future. The DCOA formed a partnership with Communities in Schools of the Big Country (CIS) and Abilene Industrial Foundation's Director of Talent Development to create a full-time Career Development Coach (Coach) position to assess each case-managed high school student's plans beyond graduation.



CIS' counselors work with at risk students at Abilene, Cooper and Wylie High Schools to provide needed support to improve school performance in the areas of attendance, academics and behavior. CIS requested funding from the DCOA of up to \$80,850 to pay the salary, benefits and administrative support costs for the Coach during the 18 months beginning April 1, 2017. This amount also includes a merit-based bonus payment of \$1,500 if certain performance criteria are met. The Coach will conduct skills assessments, promote local vocational training programs offered, and provide one-on-one support to ensure success in completing a specified workforce training course.

Industrial Workforce Training Program The DCOA approved an additional \$8,000 for the Industrial Workforce Training program administered by Cisco College in partnership with Taylor County school districts. Due to the increased number of students enrolled in the spring 2017 semester, there was a shortfall of funds to cover tuition, books, supplies and fees. The DCOA initially approved funding in 2015 of \$40,000 for the industrial training programs which include welding, electrical, HVAC, plumbing and industrial maintenance; and an additional \$30,000 as match grant funds for the purchase of specialized equipment for the industrial maintenance program.



Texas State Technical College The DCOA approved another \$179,600 to assist Texas State Technical College (TSTC) with purchase of 52 acres of airport land needed for construction of a new Abilene Campus. The final appraised value of the land was much higher than expected at \$8,479.31 per acre, or \$440,000. TSTC increased their budget for land purchase to \$5,500 per acre, or \$285,400, and requested the DCOA

provide the difference of \$3,461.09 per acre, or a total of \$179,600. The DCOA board approved in 2016 \$4 million of the total \$6 million in match grant funds needed to construct the new Abilene campus. A groundbreaking event is scheduled for April 20th.

Board Members, Past and Future Mayor Norm Archibald and President Dave Copeland presented Certificates of Appreciation to outgoing board members Dani Ramsay and Marelyn Shedd for their faithful and dedicated service to the DCOA and City of Abilene. Greg Blair and Jack Rentz were welcomed to the board as the two new members selected by Mayor Archibald to fill the vacant seats left by Mrs. Ramsay and Mrs. Shedd.



COCA-COLA REFRESHMENTS USA
ABILENE PLANT EXPANSION
RIBBON CUTTING DECEMBER 2016



Board of Directors:

Dave Copeland President
John Beckham Vice President
Jack Rich Secretary/Treasurer
Greg Blair
Jack Rentz

Staff:

Kent Sharp Chief Executive Officer
Kim Tarrant Chief Administrative Officer
Akane Thaxton Economic Development Specialist
Don Hardin Construction Project Manager
Rick Jones Construction Project Manager
Cynthia Nesmith Administrative Coordinator



Develop Abilene

Development Corporation of Abilene

**174 Cypress Street, Suite 301
Abilene, Texas 79601
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Item 7.

Information for this item will be available during the board meeting.